Linked in TALENT SOLUTIONS **GLOBAL RECRUITING TRENDS** 2018 BEINWENTING WAYSTOSCREEN CAND "When it comes to choosing a candidate, [traditional] interviews are as much use as flipping a coin."

### RICHARD NISBETT

PROFESSOR OF SOCIAL PSYCHOLOGY, UNIVERSITY OF MICHIGAN

### INTRODUCTION

# IT'S TIME FOR JOB INTERVIEWS TO CHANGE

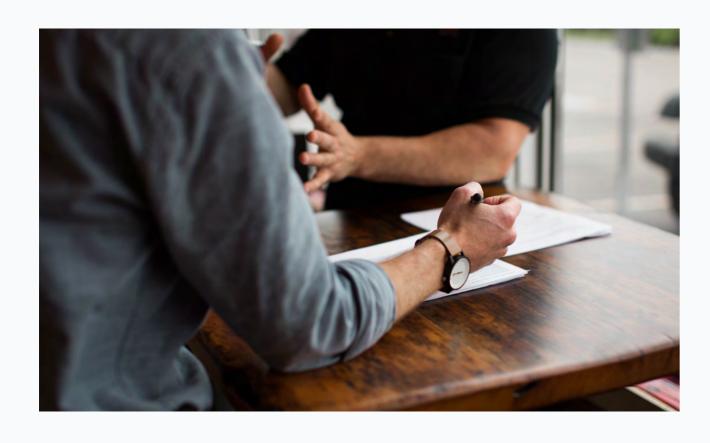
Studies show that traditional job interviews are poor predictors of job performance. Interviewees give rehearsed answers and interviewers are biased to pick candidates they like rather than those with the most potential.

We surveyed nearly 9,000 talent leaders and hiring managers from around the globe and identified five new interviewing techniques to help you assess and engage candidates more effectively. This report explores these methods and how six of the most innovative companies are implementing them. Read on to reimagine your own interview process and improve your hiring results.

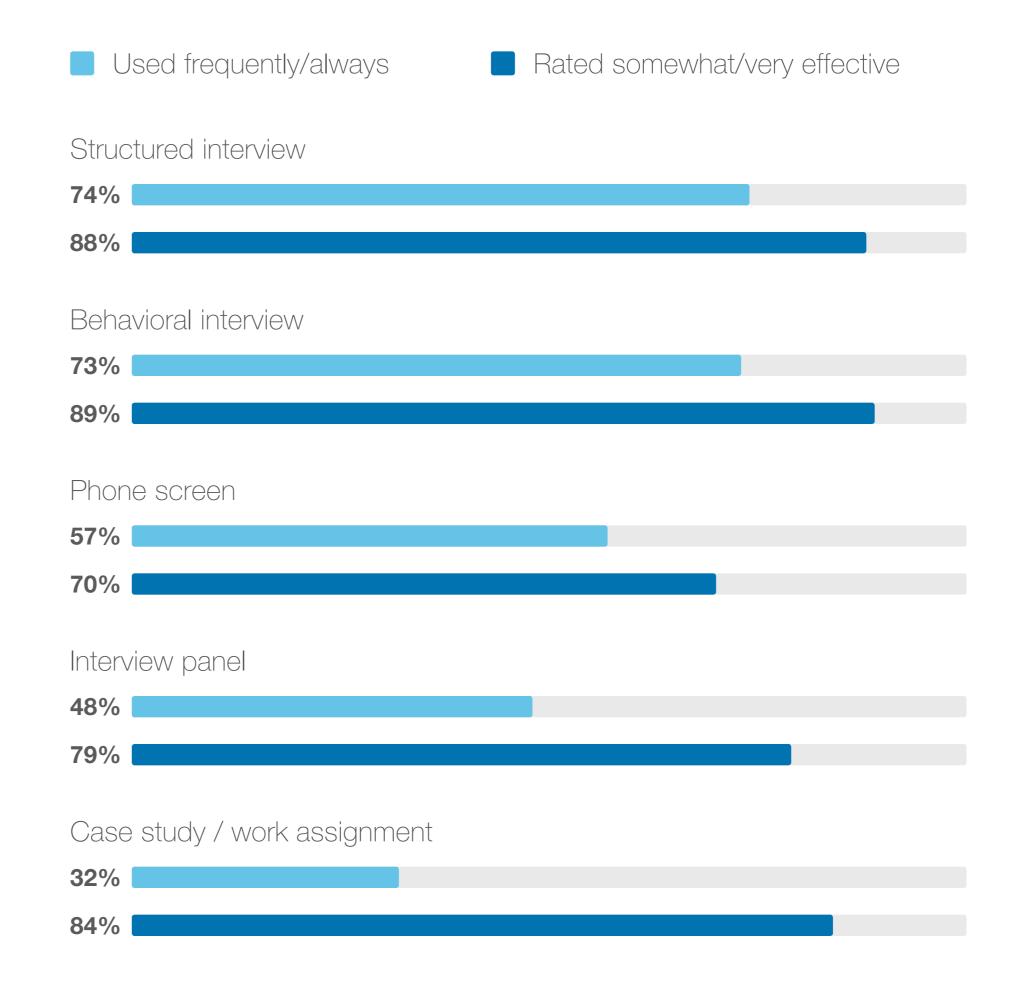
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# TRADITIONAL INTERVIEWS AREN'T GOING AWAY (YET)

You know the drill with traditional interviews — when you ask candidates about their skills and experience to see if they're fit for the job. Formats vary from in-person vs. phone to one-on-one vs. panel to structured vs. unstructured questions, but traditional interviews have been the industry standard for decades. Call them old-school, call them boring, but they are still widely used and considered effective, according to our research.



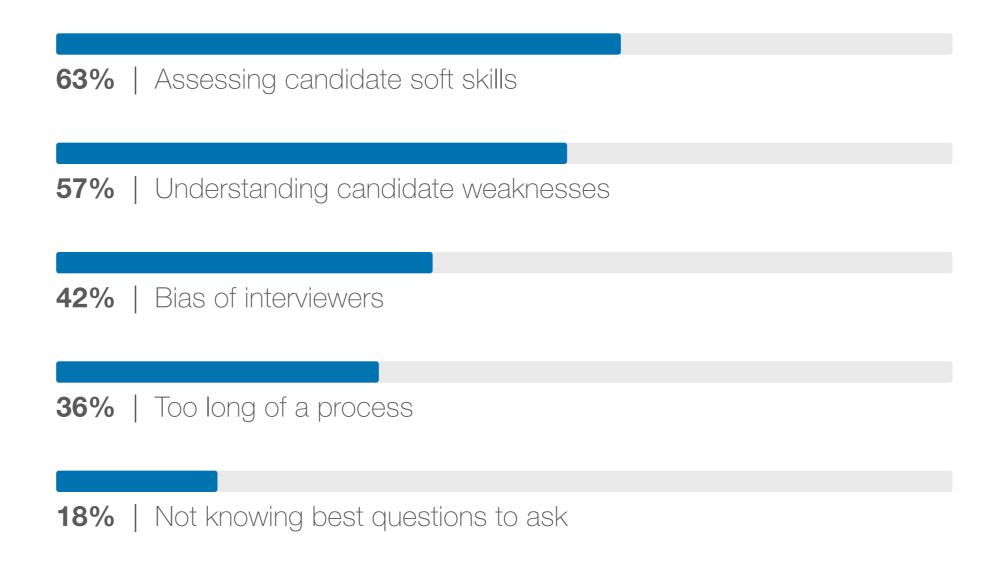
### THE POPULARITY AND EFFECTIVENESS OF TRADITIONAL TECHNIQUES



# BUT TRADITIONAL INTERVIEWS FALL SHORT ESPECIALLY IN SIZING UP SOFT SKILLS

Despite their popularity, traditional interviews have been largely discredited. It's been shown they can even undercut the impact of more useful information. Attractive and charismatic interviewees aren't necessarily more capable, for example, but we unconsciously assume they are. In our survey, respondents noted the bias problem in traditional interviews as well as their limited ability to assess soft skills and weaknesses. It's hard to evaluate grit in a candidate or spot disorganization simply by having a chat.

### WHERE TRADITIONAL INTERVIEWS FAIL



### NEW TOOLS ARE EMERGING TO MEND A BROKEN PROCESS

Five techniques have come on the scene to improve the old model. Online soft skills assessments measure traits like teamwork and curiosity and give a more holistic picture of candidates earlier in the process. In job auditions, companies pay candidates to do real work so that they can observe skills in action. Casual interviews typically take place over a meal and can offer a unique look into candidate character. With virtual reality (VR), companies immerse candidates in simulated 3-D environments to test their skills in a standardized way. Video interviews can be recorded or live and help by tapping a broader talent pool in far less time.

### MOST USEFUL INTERVIEWING INNOVATIONS

59% | Soft skills assessments

54% | Job auditions

53% | Meeting in casual settings

28% | Virtual reality assessments

### WHY THEY HAVE PROMISE



# CITI ABANDONS OLD-SCHOOL GRADUATE SCREENING FOR SOFT SKILLS ASSESSMENTS

Like many Wall Street firms, Citi used to recruit students from elite schools and heavily weigh their GPAs. But the company had no standard with which it could compare all applicants, and the narrow focus on schools was cutting it off from other rich sources of talent. So Citi piloted the Koru7™, a 20-minute survey that measures key soft skills like rigor and polish. The tool creates a profile based on top-performing Citi employees against which candidates are compared. It also ranks candidates' soft skills strengths and weaknesses which allows Citi to conduct more informed interviews.

#### THE IMPACT

BETTER ASSESSMENT OF SOFT SKILLS	Citi now gets a much more holistic view of candidates rather than the previously narrow look at their technical skills.
MORE TALENT POOL DIVERSITY	The tool is reducing GPA 'tunnel vision' and helping Citi reach top candidates at historically untargeted schools.
POSITIVE CANDIDATE EXPERIENCE	All candidates receive immediate and personalized feedback on their top skill. Nearly 90% rate the experience positively.

"Soft skills assessments are here to stay. In today's environment there is such a demand for information. We all want information to make better hiring decisions, to better understand who is most likely to be successful at our firms, and who is most likely to stay. These assessments are meant do just that, hence our interest in testing and learning."



COURTNEY STORZ
HEAD OF GLOBAL CAMPUS
RECRUITING, CITI

# TALENT AUDITIONS GIVE CITADEL A FRONT-ROW SEAT TO CANDIDATE WORK PERFORMANCE

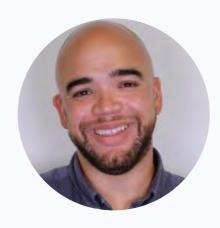
In pursuit of more efficient tech hiring, Citadel became inspired by how elite institutions recruit talent. NFL coaches don't ask prospects to describe catching a football — they watch them catch a football. So in partnership with Correlation One, Citadel designed day-long job auditions in which about 100 students compete for cash by solving real business problems with data. Recruiters watch them work in teams and use a standardized process to assess everything from how they code and think, to how they lead and collaborate. There have been over 10,000 participants to date yielding a rich pipeline of talent and dozens of hires.

Lengthier formats of the job audition are also popular. Check out Automattic's 2-6 week tryouts and Weebly's one-week tryouts.

### THE IMPACT

BETTER ABILITY TO ASSESS SKILLS	Observing candidates in high-pressure situations that mimic Citadel's work life gives a more realistic preview of performance.
MORE OBJECTIVE EVALUATIONS	Auditions reduce bias by measuring actual performance rather than interviewing skills, past experience or former employers.
POSITIVE CANDIDATE EXPERIENCE	Competing for cash is fun and exciting, and the audition experience mirrors the employee experience, helping candidates assess fit.
STRONGER EMPLOYER BRAND	The events themselves generate significant buzz for Citadel and marketing them has been an opportunity to engage with key talent.

"Stop interviewing and start auditioning."



JUSTIN PINCHBACK
HEAD OF TALENT ACQUISITION,
CITADEL

### DINE BEFORE YOU SIGN: THE POWER OF INTERVIEWING CANDIDATES IN THE REAL WORLD

Low-tech as it is, spending time with candidates outside the office is increasingly gaining favor. Charles Schwab's CEO Walt Bettinger invites candidates to breakfast and asks restaurants to mess up their orders. He does this to find out what type of people they are and how they respond to adversity. While natural behaviors don't predict job performance, they do add a unique candidate perspective. Restaurants are a common venue for casual setting interviews but the sky's the limit, literally. Havas Worldwide and Jet.com interview on ferris wheels (yes, ferris wheels!) and Daimler AG takes candidates for a spin in a Mercedes.

#### THE IMPACT

BETTER ABILITY TO SEE CHARACTER Casual settings can reveal how candidates deal with the day-to-day and the unexpected. Hiring managers can't get that by listening to rehearsed answers in a conference room.

MORE RELAXING CANDIDATE EXPERIENCE

Outside the standard interview environment candidates are more likely to be at ease. Background noise and interruptions can make them feel less under-the-microscope.

"Are they upset, are they frustrated, or are they understanding? Life is like that, and business is like that. It's just another way to get a look inside their heart rather than their head."



WALT BETTINGER
CEO, CHARLES SCHWAB

# LLOYDS BANKING GROUP ASSESSES CANDIDATE STRENGTHS WITH VIRTUAL REALITY

Lloyds Banking Group gets thousands of applications for its Emerging Leadership Programme every year. To narrow the pool, it asks candidates to complete strengths and analytical tests followed by a video interview using Launchpad. But here's where it gets interesting — the hundreds of candidates who reach the final round are evaluated in virtual reality as part of a day-long assessment center visit. Using the virtual reality platform, candidates freely move within a 360-degree virtual world and manipulate objects using tracked motion controls. An evaluator judges how they approach and solve tasks, using standardized metrics to assess strengths that Lloyds Banking Group is looking for.

#### THE IMPACT

BETTER ABILITY TO ASSESS SKILLS	Instead of candidates describing how they'd do a task, they actually do the task, giving Lloyds a first-hand look at behavior.
LESS UNCONSCIOUS BIAS	Evaluators are 'blind' to past experience. Diversity across gender and Black, Asian and minority ethnic exceed industry norms as a result.
MORE CANDIDATE ENGAGEMENT	96% of candidates rate the VR experience as both comfortable and impressive, and 100% think it adds value to the hiring process.

"Using virtual reality to assess candidates has helped us predict real life behavior more accurately. By revealing authentic ability rather than practiced responses, it's leading us to better hiring decisions."



ARBI RAI
SENIOR RECRUITMENT MANAGER,
LLOYDS BANKING GROUP

# KPMG AUSTRALIA SCRAPS LENGTHY SCREENING PROCESS FOR VIDEO INTERVIEWING

KPMG hires students right out of school for client-facing roles in which communication skills are key. The company started using video interviews to evaluate those skills at scale, before even meeting the candidates. Now after candidates apply and successfully complete online assessments, they start the interview process from their respective locations. Without traveling anywhere and on their own time, they spend 15-20 minutes recording answers to 4-5 questions. They introduce themselves and then have 30 seconds to prepare each question before answering. The firm's recruitment team watches the videos and selects candidates for in-person interviews.

### THE IMPACT

Video has cut the number of in-person interviews from thousands to hundreds, freeing up significant recruiter time. The short and shareable videos also help hiring teams collaborate more easily.

MORE TALENT POOL DIVERSITY

Exposure to qualified candidates not previously considered (e.g., arts and music majors) has led KPMG to more diverse hiring choices.

POSITIVE CANDIDATE EXPERIENCE

Tech-savvy students are already comfortable using video, it's less confrontational than in person, and it eliminates the hassle of travel.

"These more relaxed videos help us assess candidate impact, communication skills and answers to behavioural interview questions. [It] does help us in deciding which candidates will finally come into our assessment centres."



NIKKI HARRISON
HEAD OF PEOPLE AND
CULTURE TRANSFORMATION,
KPMG AUSTRALIA

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### UNILEVER CUTS HIRING TIME BY 75% WITH INNOVATIVE SCREENING TOOLS

Unilever used to take 4-6 months to narrow its 250,000 student applications down to a few hundred hires. But with Millennials expected to be 60% of its workforce by 2020, it needed a faster process. So it ditched resumes and phone screens for an end-to-end digital process. It starts with a quick mobile-enabled application form that automatically populates from Linkedin profiles. Those who meet the standard requirements then go to a gamified assessment for fit where they play 12 brief games powered by Pymetrics. The top third scorers advance to video interviews in which they record answers using Hirevue, a platform that further narrows the pool through an algorithm. The last stage is a 'Day in the Life Of' Discovery Centre where candidates get a feel for what it means to work at Unilever while being assessed by the company's leaders.

### THE IMPACT

HIGHER RECRUITER EFFICIENCY

Unilever cut hiring time by 75%. About 80% of candidates who make it to the inperson round get offers, so teams are spending time with only the most qualified.

MORE DIVERSE TALENT POOL

The number of U.S. schools in Unilever's applicant pool jumped to over 2,600, triple the amount from the previous year, with record diversity across gender, ethnicity and socioeconomic status.

BETTER CANDIDATE EXPERIENCE

Candidates can finish the end-to-end process in 2 weeks (from 4-6 months before) and get personalised feedback at every stage of the process.

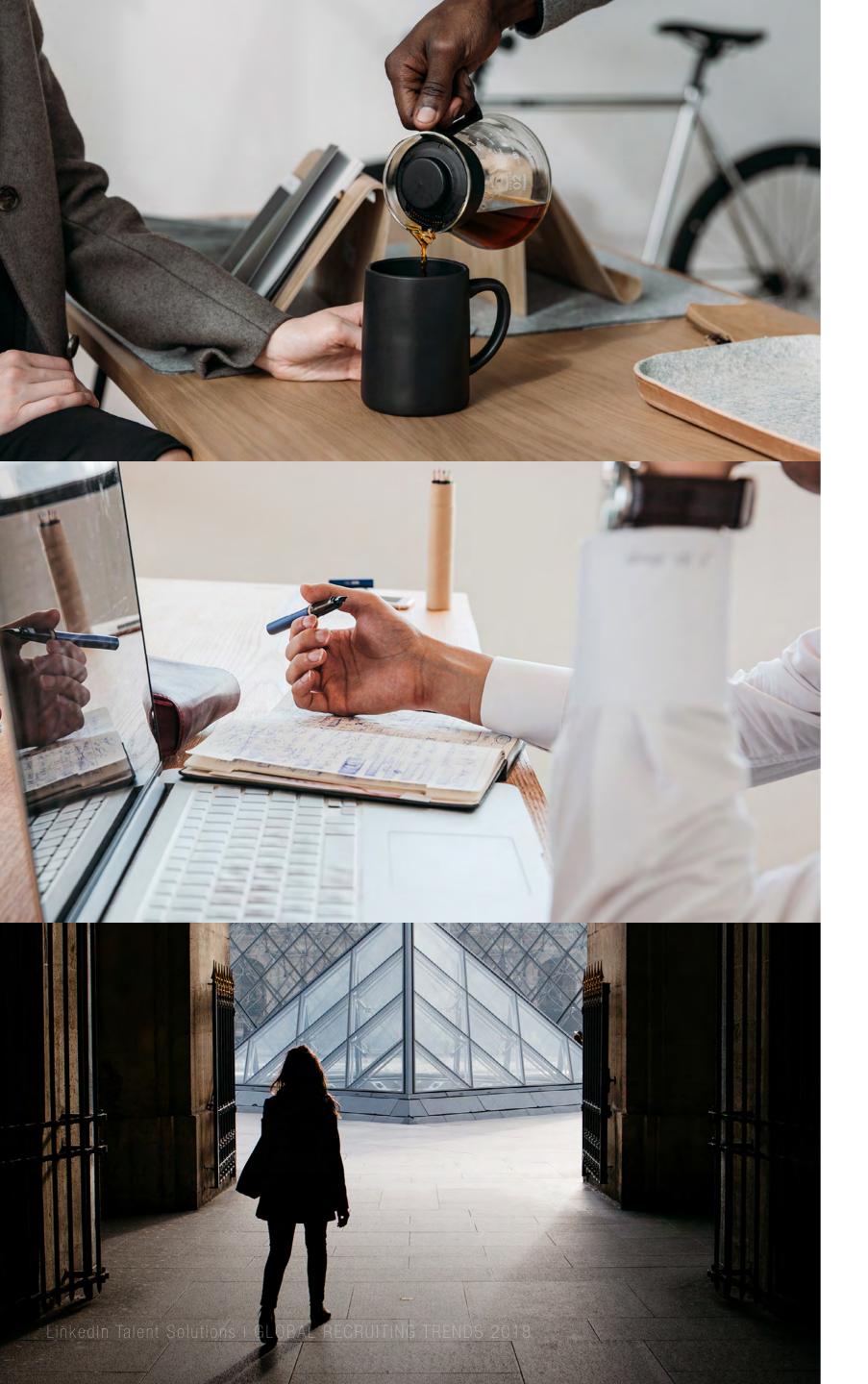
"The recruitment and talent landscape has changed, our workforce was now 50% millennials, and we were hiring through a manual, arduous process that we've had for years.

We were hiring based on experience and not potential, and the profile of our leaders yesterday will not be the same profile for our future leaders.

Our process was not fit for purpose in the connected world."



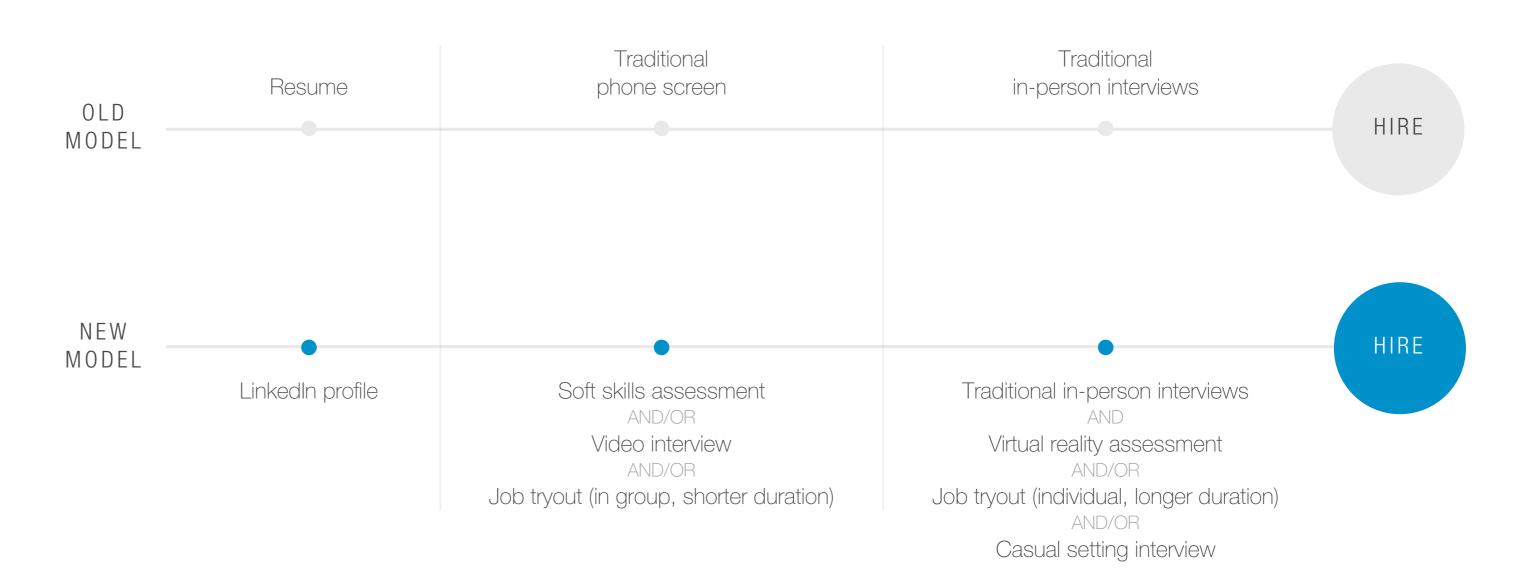
MELISSA GEE KEE STRATEGY DIRECTOR TO THE CHRO, UNILEVER



### CONCLUSION

### THE FUTURE OF INTERVIEWING IS HERE

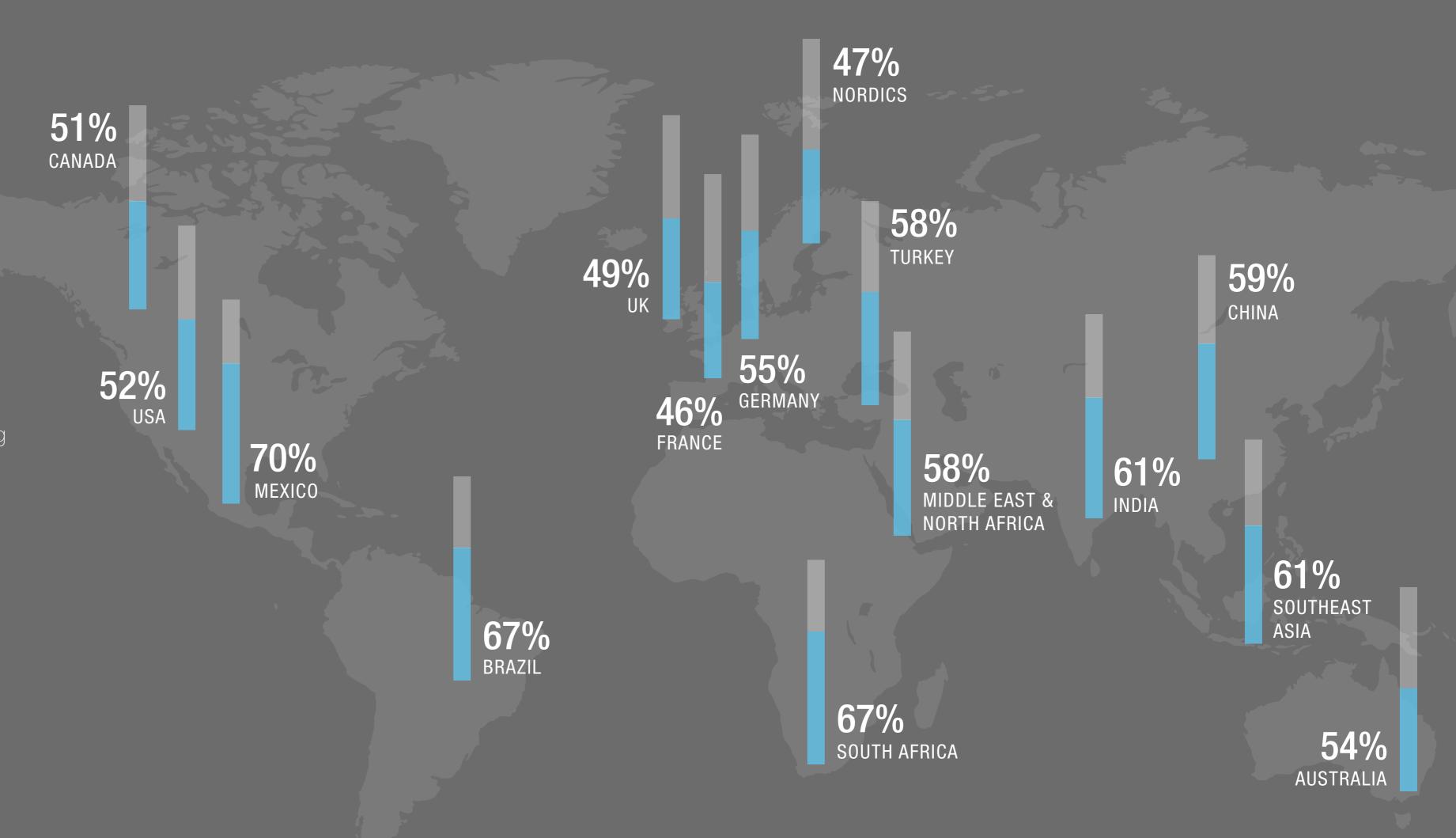
Traditional hiring is imperfect and costly, so it's no surprise it's being reimagined. Soft skills tests and video interviews are largely replacing the traditional phone screen, selecting for potential rather than experience, quickly and at scale. Job tryouts are helping screen groups of candidates too, but they're also being used after traditional interviews to assess individuals for longer periods of time. Virtual reality assessments are being used in conjunction with in-person interviews while casual interviews are typically added afterward to get another perspective before final decision-making. As we look ahead to more innovations cropping up, companies will rely on traditional interviews less and less.





Percentage of respondents who say interviewing innovations are 'very' or 'extremely' important to the future of hiring

56% GLOBAL AVERAGE



### SURVEY METHODOLOGY

We surveyed 8,815 talent acquisition professionals and hiring managers.

- Talent acquisition professionals work in a corporate HR department and must have some responsibility for the hiring process.
- Hiring managers must have some authority over hiring decisions for their team.

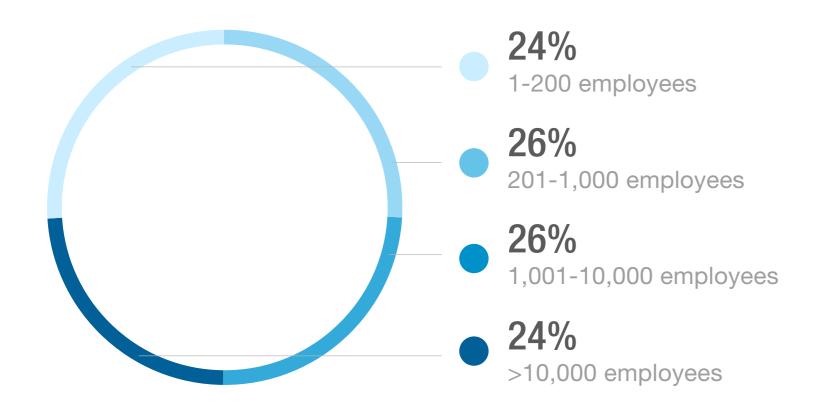
These survey respondents are LinkedIn members who were selected based on information in their LinkedIn profile and contacted via email between August 24th and September 24th, 2017.



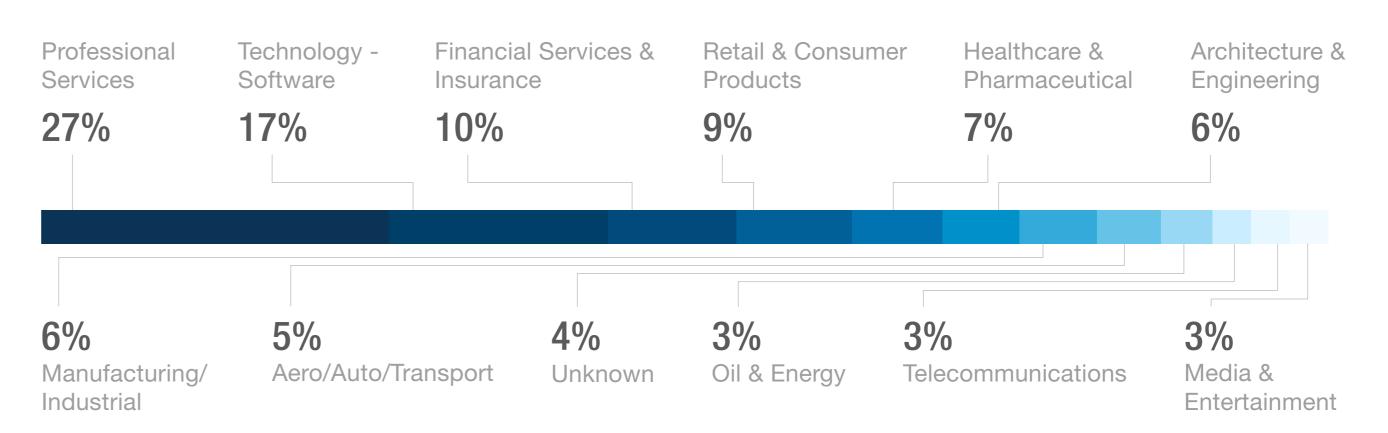


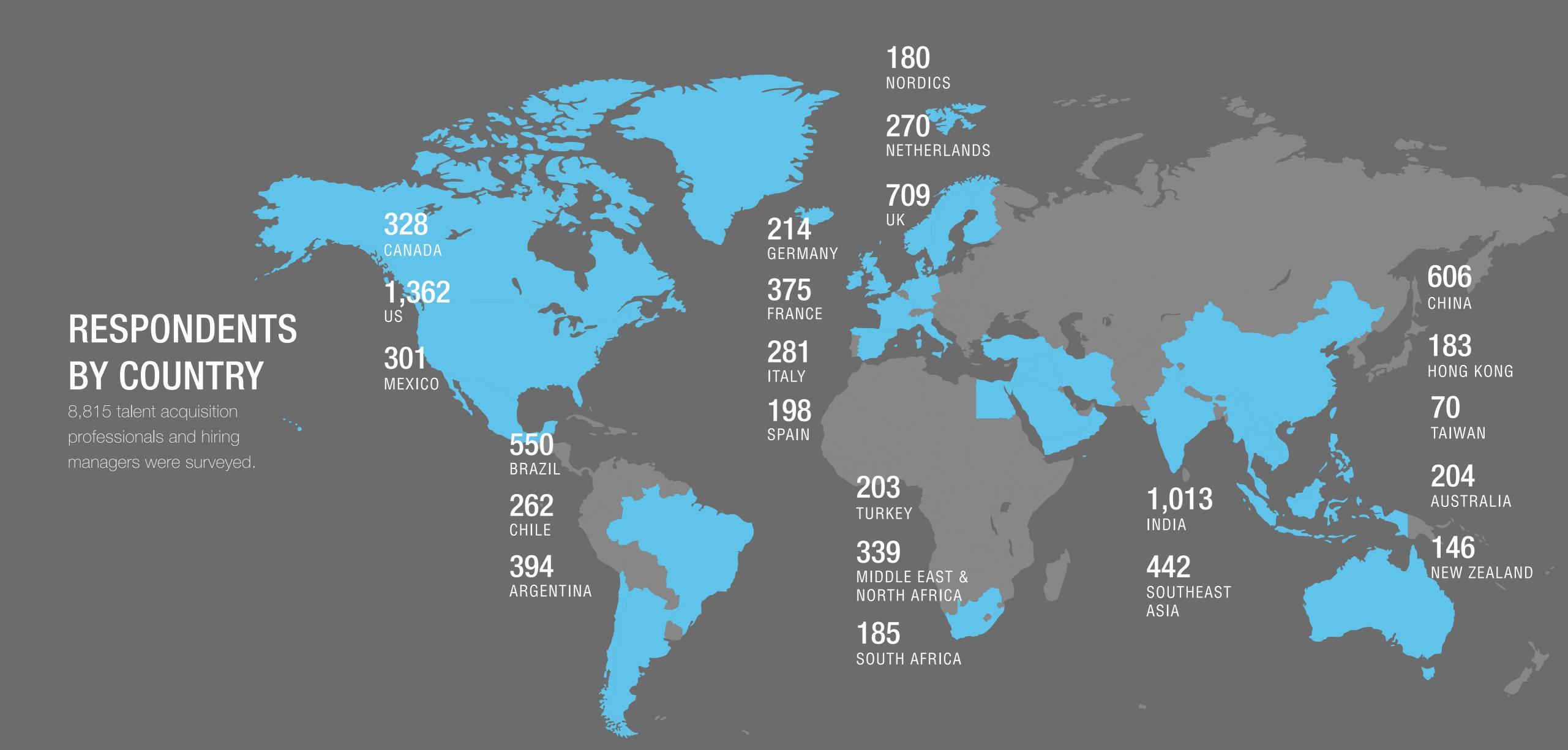
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### COMPANY SIZE



### INDUSTRY





Citadel Charles Schwab
Charles Schwab
Charles Schwab
Lloyds Banking Group
LinkedIn phone interview with Arbi Rai, November 28, 2017

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### ABOUT LINKEDIN TALENT SOLUTIONS

LinkedIn Talent Solutions provides the data and tools talent professionals need to identify and engage talent with the highest potential and empower their organizations.



